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October 13, 2009

Representative Mark S. Meadows
Michigan House of Representatives
Post Office Box 30014
Lansing, MI 48909

Re: House Bill 5167

Dear Representative Meadows:

Our firm has represented hundreds of Michigan workers and their family members who developed disabling asbestos disease from products made by companies, which were then later purchased by companies like Crown Cork & Seal. This is the company coming to this committee and asking for special consideration today. We want you to know that those injured citizens of our state disabled by asbestos diseases, including the always terminal mesothelioma victims, will be directly harmed by this Proposed House Bill 5167. The supporters of this Bill are people from A.L.E.C. and the U.S. Chamber of Commerce. Their disingenuous argument is that the passage of this Bill will help to prevent job loss and that it is a right and just thing to do. However, the other side of the coin is that this is just another attempt to create immunity for a special segment of the business community.

Crown Cork & Seal is an international corporation whose 2009 SEC 10-K statement shows \$8.3 billion in sales, of which \$3.1 billion occurred in the United States. This company admitted in the same statement, "While it is not possible to predict the ultimate outcome of asbestos related claims and settlements, the company believes the resolution of these matters is not expected to make a material adverse effect on the company's financial position".

In 1964 Crown Cork & Seal bought an asbestos company (Mundet Corp.) that was making its own employees sick. Mundet's employees were filing workers compensation claims for asbestos disease against the company. The phrase "due diligence" when buying or merging with another company requires looking first at what you are buying.

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Further, Crown Cork & Seal operated their asbestos division for several months, collecting profits, before selling off the asbestos division. Crown Cork & Seal's employee, E.J. Stansbury, testified on December 16, 1983, that the company sold, operated and filled existing orders for asbestos products.

In short, they bought a company that knew or should have known that their employees were sick from working with their own asbestos products. They bought the liabilities of the company, along with its assets. The question arises, why are we here today before this committee considering a "get out of jail free card" for their bad business decision? Why should this be done at the expense of Michigan victims of asbestos disease? Michigan has seen too much immunity for wrong-doers. We already have a drug immunity law in Michigan which deprives our citizens of fair compensation for unsafe drugs. It is easy in this time of high unemployment to threaten job loss in order to achieve a bail-out. However, Crown Cork & Seal is not the poor victim it has professed to be and this committee should reject this asbestos immunity bill.

Why is the predecessor purchase-merger date in this bill set at 1972, when Crown Cork & Seal purchased this asbestos company in 1964? The year 1972 has no bearing on the circumstances of Crown Cork & Seal. There are other corporation agendas involved here. This Bill has far reaching consequences beyond Crown Cork & Seal. Should this bill pass, any company that ever bought or acquired a former asbestos related company could be off the hook, forever. This will take away the rights of those Michigan workers and their families who are sick or dying of asbestos disease to be fairly compensated.

If this legislative body is looking for justice or fairness, please consider the plight of Michigan workers, who back in the 1950s and 1960s helped to build our schools, factories and buildings. They helped to make Michigan what it is today. They worked with no awareness that they would become victims of asbestos diseases some 30 to 40 years later.

All it takes for a company to profit from this bail-out is to have a predecessor involved with asbestos products before 1972 if they bought a company with liabilities, even if they accepted those liabilities as part of their deal. This could create mass immunity leaving innocent Michigan victims with no remedy and create the potential for massive corporate abuse.

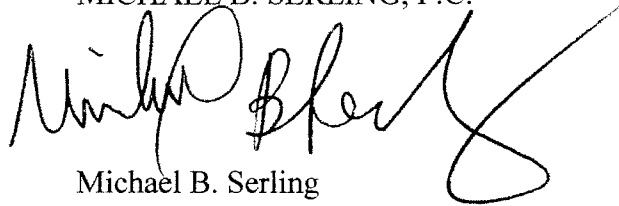
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Michigan law is clear - corporations are to live with those liabilities they accept at the time of a merger or purchase. I urge this committee not to tamper with the law as it stands at the expense of victims of asbestos disease. Do not take away the rights of sick Michigan workers.

Sincerely,

MICHAEL B. SERLING, P.C.

A handwritten signature in black ink, appearing to read "Michael B. Serling", with a large, stylized flourish at the end.

Michael B. Serling

MBS/cd

cc via email: Tonya Schuitmaker
Ellen Cogen Lipton
Lisa Brown
Bob Constan
Marc R. Corriveau
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